

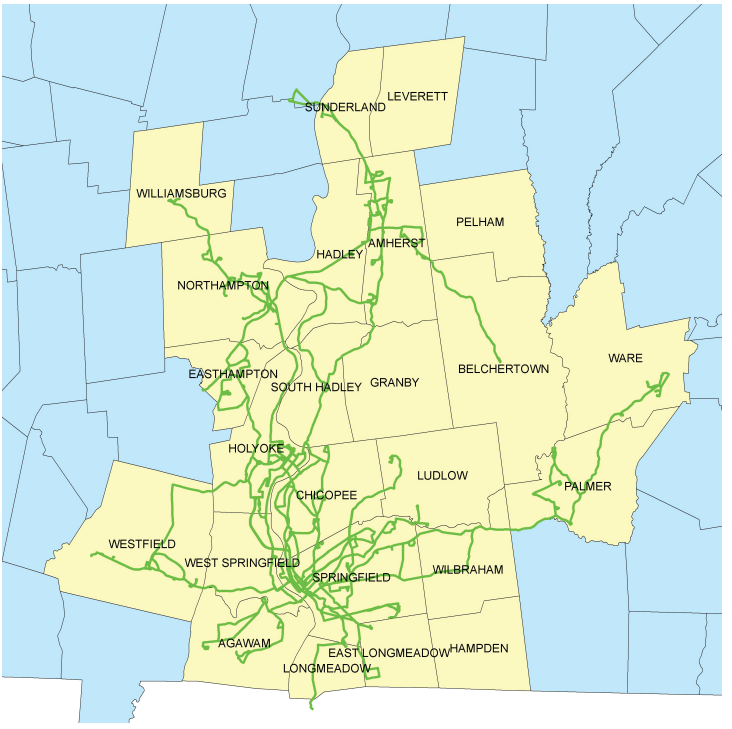
FY18 Annual Report

Pioneer Valley Transit Authority

The Pioneer Valley Transit Authority (PVTA) is the largest regional transit authority in Massachusetts with 189 buses, 150 vans, and 24 participating member communities. PVTA provides fixed-route bus and ADA demand-responsive van service. Funding for the PVTA comes from local, state, and federal sources. The Pioneer Valley Transit Authority was created by the Massachusetts General Laws chapter 161B in 1974 as a funding source and to provide oversight and coordination of public transportation within the Pioneer Valley region.

PVTA's Service Area

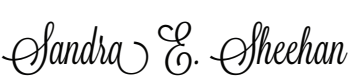
1. Agawam
2. Amherst
3. Belchertown
4. Chicopee
5. East Longmeadow
6. Easthampton
7. Granby
8. Hadley
9. Hampden
10. Holyoke
11. Leverett
12. Longmeadow
13. Ludlow
14. Northampton
15. Palmer
16. Pelham
17. South Hadley
18. Springfield
19. Sunderland
20. Ware
21. West Springfield
22. Westfield
23. Wilbraham
24. Williamsburg



Administrator's Message

This year, PVTA has seen a lot of activity related to the many assets it manages, including, new construction, rehabilitation of older buildings, delivery of new transit buses and paratransit vehicles as well as everyday repairs to its transit garages. To ensure the right amount of investment, in the right asset takes place at the right time, PVTA has adopted a strategy of using performance measures to better plan the management of its assets using the financial resources for the best long-term benefits of all our passengers. This is the beginning of our on-going effort to develop and integrate asset management practices throughout the entire organization.

We would like to thank our passengers, the staff, Board Members, stakeholders and elected officials for their on-going support of public transportation.



Sandra E. Sheehan
Administrator, Pioneer Valley Transit Authority

MAJOR CAPITAL FACILITIES

PVTA Bus Operations & Maintenance Facility at Cottage Street, Springfield

Construction Underway
In FY18, PVTA continued construction of its new 225,000 square-foot Bus Operations & Maintenance (O&M) Facility on an 18.3-acre site located at 665 Cottage Street, Springfield. Once completed, the new $55.7M Cottage Street facility will provide light- and heavy-duty maintenance for PVTA's entire fixed-route bus fleet, replacing its antiquated and undersized bus maintenance facility at 2840 Main St., Springfield. The new Cottage Street facility will house Springfield Area Transit Company's administrative and operations personnel. It will include a driver break room, quiet room and gym. The facility will provide indoor storage for over 130 diesel and electric buses.



Fontaine Brothers, Inc. of Springfield initiated construction of the new facility in April 2017. By the beginning of FY18, site grading, foundations and steel erection were underway. In FY18, the contractor closed in the building completing roofing, light steel framing, drywall, metal panels, overhead doors, masonry and primary electrical, mechanical and plumbing services. Retaining walls, granite curbing, paving and entry islands are completed. Bus washers, fueling and maintenance bay systems are underway. HVAC is nearly completed with finished boiler connections and piping underway. The construction project is scheduled to be completed in December 2018 and fully operational in April 2019.

Brick Restoration
PVTA Administration Building
2840 Main Street, Springfield

Construction Completed
PVTA completed 100% repair and refurbishment of the exterior brick masonry on its 125-year old Administration Building as well as interior masonry within the building's tower section. Calhess Restoration and Weatherproofing Corporation of Boston was the General Contractor responsible for completing the $401,000 project. The project was completed in FY18 on time and within budget. 100% brick and masonry restoration had not been done on the building in over 30 years.

The restoration work required detailed matching and mock-ups of bricks and mortar. Exterior wall sections were power-washed to prepare the surface for brick repair/replacement and repointing. An extensive scaffolding system was used during construction to reach all sections of the tower and building while keeping the building ADA accessible and open to the general public. In addition to the brick repair/replacement and repointing, several sections of the building's cracked or spalled brownstone were repaired.







GRANTS

National Center for Mobility Management Grant

In January, PVTA was awarded a grant from the National Center for Mobility Management to work with Baystate Medical Center, Smith College, Greater Springfield Senior Services, New North Citizens Council, MetroCare of Springfield and STAVROS to explore transportation barriers for Medicaid patients at Baystate Medical Center. The project team includes a diverse array of stakeholders with representatives from the transportation, healthcare, research, and advocacy fields.

PILOT PROGRAMS

Tri-Town Trolley Pilot Program

In September, service of the Tri-Town Trolley launched in East Longmeadow, Longmeadow and Hampden. These communities provide van service to senior residents aged 60 or older using two MV-1 vans. Service is available during similar days and hours as PVTA's Senior Service. In FY18, 4,084 trips on the Tri-Town Trolley were taken.

MGM Springfield

PVTA worked with MGM to create a new route that will circulate through downtown Springfield linking tourist attractions, hotels, restaurants, and arts and culture destinations to provide a more robust travel experience for Springfield visitors. This route, named "The Loop" will connect Springfield's most storied landmarks including Union Station, Springfield Armory, Springfield Museums, Naismith Memorial Basketball Hall of Fame and MGM Springfield. Service will be fully funded by MGM and available Wednesdays through Sundays from Union Station beginning at 10:00 A.M. until 10:00 P.M. and complete a full circuit in 60-minutes during the day and 40-minutes in the evening. The Loop will have a

unique branding that encompasses the many sights of downtown, showcasing attractions throughout the vehicle wrap, bus stop signage, schedules, maps, and more. Traveling on *The Loop* will be free.

EFFICIENCIES

New Vehicles

In March, PVTA took delivery of two new E450 shuttle vans. These shuttles have a new paint scheme and will be used on the Palmer and Ware Shuttles.



PVTA has purchased 24 new vans through piggy backing on the New York Department of Transportation contract. The new vans will replace vehicles that have reached the end of their useful life as revenue service vehicles. The vehicles that are in good condition are donated to social service agencies or communities that make a request. PVTA was able to donate eleven vehicles.

Bus Stops and Shelter Inventory

In May, PVTA, in conjunction with the Pioneer Valley Planning Commission and PVTA operation contractors, began undertaking a system wide stop and shelter inventory. All stops are being inventoried using a Web App developed by students at UMass Transit which allows for seamless integration with our existing database of stop locations. The inventory is anticipated to be completed in the fall of 2018 and will allow PVTA to identify issues, opportunities and create a Bus Stop Investment Plan.

PLANNING

Public Participation Plan

PVTA updated its Public Participation Plan this year, due to a series of changes in state and federal requirements. The plan describes how PVTA will communicate with customers and the public; including public hearings, through customer service, online and social media, and through www.pvta.com. During the fall, PVTA reached out to riders with surveys to get feedback on the best places and times to hold public hearings.

Title VI Program Update

Every three years, PVTA is required to update its Title VI Program. In April, PVTA began the process of updating the program. The program outlines how PVTA complies with Title VI of the 1964 Civil Rights Act with fair distribution of impacts and operational decisions about service. The Title VI program is where the thresholds for disparate impact/disproportionate burden are established.

Transit Asset Management Plan

PVTA began working with Cambridge Systematics to complete its Transit Asset Management (TAM) Plan in June. The purpose of the TAM plan is to help PVTA manage physical assets, achieve a state of good repair and ensure consistency between agency mission, goals and plans. Every transit agency must develop a TAM plan as part of the Fixing America's Surface Transportation (FAST) ACT. As a tier-one agency, PVTA is subject to a more robust plan which outlines our current capital assets as well as our needs for the future.

COMMUNITY OUTREACH

Food Drive

PVTA held a food drive collecting non-perishable food donations on-board all PVTA buses November 1st – November 15th. All food collected on buses operating out of PVTA's Northampton & Springfield area garages were donated to The Food Bank of Western Mass. All food collected on buses operating out of the UMass/Amherst area garage were donated to the Amherst Survival Center. PVTA's Food Drive collected 2,179 lbs of non-perishable food donations.

PASSENGER AMENITIES

ADA Landing Pads

The ADA Landing Pads project in Springfield was completed in the fall and all pads were inspected to ensure compliance with size and slope requirements. A total of 114 pads were poured throughout the city to improve accessibility at bus stops.

TRIENNIAL REVIEW

FTA Triennial Review

In June, the Federal Transit Administration (FTA) conducted a Triennial Review of PVTA for the period covering May 2015 through June 2018. This review included examining twenty different areas for compliance with federal regulations as recipients of federal funds. This review also included an enhanced review module for Title VI. No deficiencies were found in 17 of the areas reviewed. Deficiencies were identified in three areas including ADA, DBEs and Procurement. PVTA will provide procedures for addressing the deficiencies identified by the reviewers.

SERVICE MODIFICATIONS

FY18 Service Changes

Service changes were implemented in late summer/early fall of 2017 in response to level funding from the state. PVTA held 22 public hearings on the change that would ultimately impact 13 of PVTA's routes and resulted in the discontinuation of 4 PVTA routes. The changes were driven by route performance measures and PVTA service guidelines to balance the budget for FY18.



Planning for the FY19 Budget Deficit

PVTA approved the FY19 budget in May of FY18. PVTA's FY19 budget anticipated the Regional Transit Authorities receiving $80 million in State Contract Assistance. PVTA is facing an operating budget deficit for the coming fiscal year as the current state budget is less than originally anticipated. PVTA's Advisory Board authorized holding public hearings on potential fixed route service changes totaling $3.1M at their January 24th Board Meeting to address the budget shortfall for FY19. PVTA hosted 9 public hearings and an additional 9 outreach sessions starting February 26th to obtain comments on the possible service changes which would impact almost all of PVTA's bus routes in order to balance the budget. Modifications to the proposal were made based on comments received and on April 4th, the PVTA Advisory Board voted to implement the changes that would take place in September of FY19 based on the outcome of the state budget anticipated to be release in July.

PIONEER VALLEY TRANSIT AUTHORITY
STATEMENT OF NET ASSETS
June 30, 2018

	2018	2017
ASSETS AND DEFERRED OUTFLOWS OF RESOURCES		
Current assets		
Cash and equivalents	309,232	907,729
Short-term investments	2,901,317	4,342,754
Receivables, net	31,617,199	24,525,397
Prepaid expenses	542,414	460,717
Total current assets	**35,370,162**	**30,236,597**
Investment in Holyoke Intermodal Facility, LLC	4,027,668	4,048,778
Property and equipment, net	120,793,716	89,812,220
Total assets	**160,191,546**	**124,097,595**
Deferred outflows of resources		
Deferred outflows related to pensions	2,148,674	1,696,185
Deferred outflows related to other post employment benefits	646,253	
TOTAL ASSETS AND DEFERRED OUTFLOWS OF RESOURCES	**162,986,473**	**125,793,780**
LIABILITIES		
Accounts payable	16,485,583	11,774,491
Accrued payroll and related liabilities	596,028	420,350
Accrued pension	28,058	57,474
Insurance claims reserve	2,500,000	2,300,000
Unearned revenue	32,451	40,656
Accrued interest	239,500	179,625
Notes payable	13,100,000	13,100,000
Total current liabilities	**32,981,620**	**27,872,596**
Net pension liabilities	4,256,176	4,117,734
Accrued other post employment benefits	41,577,409	39,860,729
TOTAL LIABILITIES	**78,815,205**	**71,851,059**
NET POSITION		
Invested in capital assets, net of related debt	124,821,384	93,860,998
Restricted for other purposes	1,580,175	1,580,175
Unrestricted	(42,230,291)	(41,498,452)
Total net assets	**$84,171,268**	**$53,942,721**

STATEMENT OF REVENUES, EXPENSES AND CHANGES IN NET ASSETS

	2018	2017
Operating revenues		
Fixed route income	6,268,580	6,533,362
Paratransit income	716,660	734,004
Shuttle service income	26,281	26,357
Total operating revenues	**7,011,521**	**7,293,723**
Operating expenses		
Fixed route service	34,195,783	33,853,451
Paratransit service	8,646,729	8,231,868
Shuttle service	243,495	235,765
Administrative Salaries, Taxes, and Fringe Benefits	2,684,995	2,843,361
Other Administrative expenses	1,602,683	1,857,252
Reimbursable depreciation	3,431	4,477
Total operating expenses	**47,377,116**	**47,026,174**
Operating income (loss)	**(40,365,595)**	**(39,732,451)**
Non-operating revenues (expenses)		
Operating assistance		
Federal	6,858,006	5,702,070
Massachusetts	23,095,330	23,554,939
Member communities	8,729,645	8,516,727
Other Operating Assistance	591,690	176,813
Advertising income	268,066	234,697
Other Income	98,279	71,126
Interest income	109,199	84,597
Interest expense	(141,000)	(99,908)
Total non-operating revenues (expenses)	**39,609,215**	**38,241,061**
Income (loss) before capital contributions and other items	**(756,380)**	**(1,491,390)**
Contributed Capital	46,770,235	27,679,580
Non-reimbursable depreciation	(15,785,308)	(14,547,785)
Change in Net Position	**30,228,547**	**11,640,405**
Net position, beginning	53,942,721	61,488,634
Prior period adjustment		(19,186,318)
Net position, ending	**84,171,268**	**53,942,721**

OPERATIONAL FACTS AND FIGURES

	2018	2017
Fixed Route		
Financials		
Operating Expenses	$ 34,439,278	$ 33,853,451
Revenue	$ 6,294,861	$ 6,559,719
Net Fixed Route Cost	**$ 28,144,417**	**$ 27,293,732**
Characteristics		
Passenger Trips	10,931,537	11,466,707
Vehicle Miles	5,249,836	5,546,035
Vehicle Hours	395,293	451,342
Revenue Miles	5,032,866	5,266,585
Revenue Hours	382,368	398,595
Performance Measures		
Operating Expenses Per Passenger Trip	$3.15	$2.95
Operating Expenses Per Vehicle Mile	$6.56	$6.10
Operating Expenses Per Vehicle Hour	$87.12	$75.01
Operating Expenses Per Revenue Mile	$6.84	$6.43
Operating Expenses Per Revenue Hour	$90.07	$84.93
Passenger Trips Per Mile	2.08	2.07
Passenger Trips Per Hour	27.65	25.41
Passenger Trips Per Revenue Mile	2.17	2.18
Passenger Trips Per Revenue Hour	28.59	28.77
Paratransit		
Financials		
Operating Expense	$ 8,646,729	$ 8,231,868
Revenue	$ 716,660	$ 734,004
Net Paratransit Cost	**$ 7,930,069**	**$ 7,497,864**
Characteristics		
Passenger Trips	291,932	297,632
Vehicle Miles	3,494,574	3,580,955
Vehicle Hours	237,063	235,890
Revenue Miles	2,926,913	2,964,369
Revenue Hours	203,348	194,833
Performance Measures		
Operating Expenses Per Passenger Trip	$29.62	$27.66
Operating Expenses Per Vehicle Mile	$2.47	$2.30
Operating Expenses Per Vehicle Hour	$36.47	$34.90
Operating Expenses Per Revenue Mile	$2.95	$2.78
Operating Expenses Per Revenue Hour	$42.52	$42.25
Passenger Trips Per Mile	0.08	0.08
Passenger Trips Per Hour	1.23	1.26
Passenger Trips Per Revenue Mile	0.10	0.10
Passenger Trips Per Revenue Hour	1.44	1.53

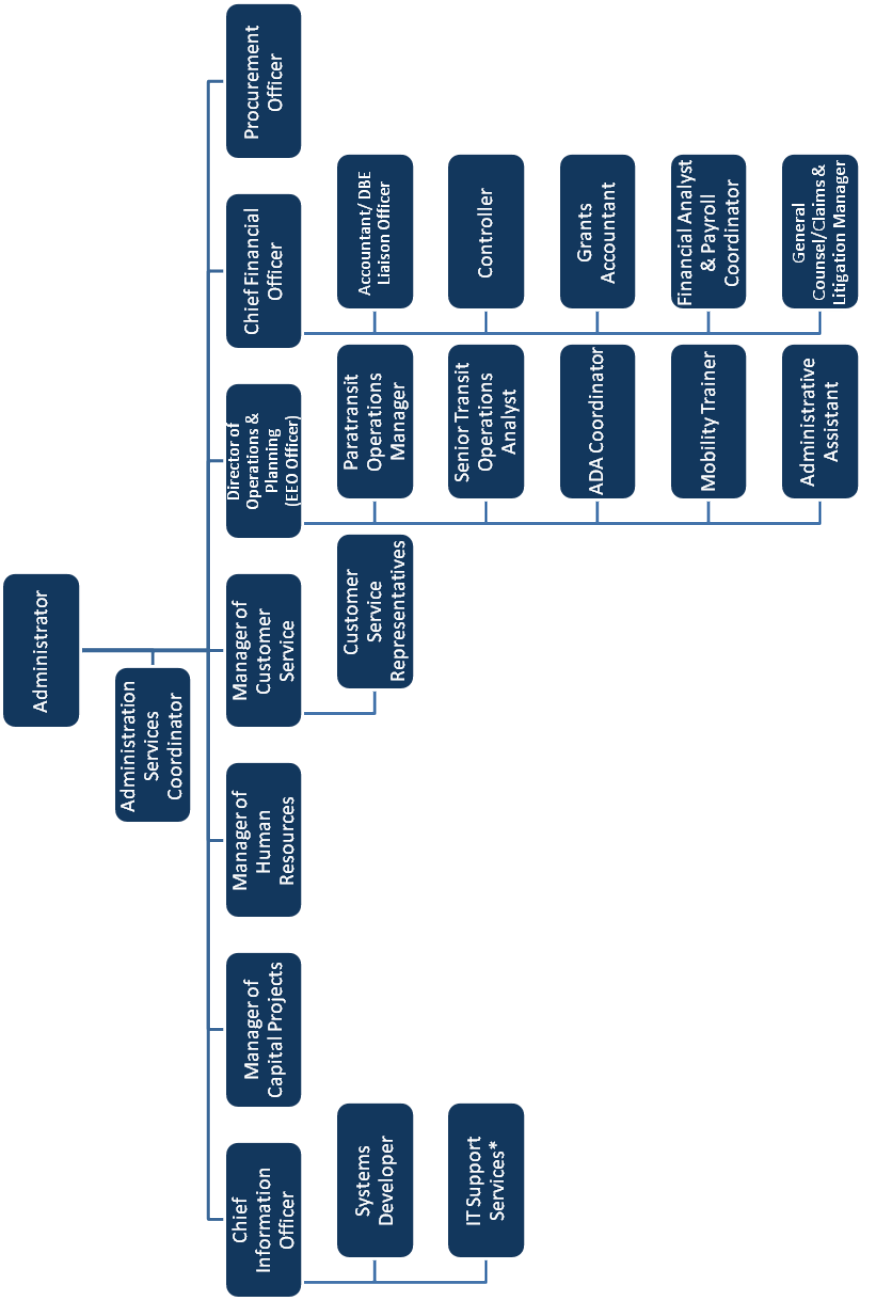
PIONEER VALLEY TRANSIT AUTHORITY
STATEMENT OF NET COST OF SERVICE
SUPPLEMENTARY INFORMATION
FOR THE YEAR ENDED JUNE 30, 2018

	Total Service Area 2018	Total Service Area 2017
Operating costs		
Administrative costs	4,291,109	4,705,090
Purchased services Fixed route	34,195,783	33,853,451
Paratransit	8,646,729	8,231,868
Shuttle	243,495	235,765
Debt service	141,000	99,908
Eliminate GASB 75 other post employment benefits expense	(1,070,427)	(2,868,502)
Eliminate GASB 68 (increase) reduction to pension expense	314,047	1,127,842
Total operating costs	46,761,736	45,385,422
Operating assistance and revenues		
Federal operating and administrative assistance	6,858,006	5,702,070
Other operating assistance	591,690	176,813
Revenues		
Local revenues		
Fixed route	6,268,580	6,533,362
Paratransit	716,660	734,004
Shuttle	26,281	26,357
Advertising	268,066	234,697
Other income	98,279	71,126
Interest	109,199	84,597
Total operating assistance and revenues	14,936,761	13,563,026
Net operating deficit	31,824,975	31,822,396
Increase in reserve for extraordinary expense	-	249,270
Net cost of service	31,824,975	32,071,666
Local assessments	8,729,645	8,516,727
State contract assistance	23,095,330	23,554,939
Total	31,824,975	32,071,666

Net Cost of Service 2018

	Fixed Route	Paratransit
Expenditures	$ 34,439,278	$8,646,729
Revenue	$ 6,294,861	$ 716,660
Net Cost	$ 28,144,417	$7,930,069

PVTA Organizational Chart



The Pioneer Valley Transit Authority values workplace diversity and is strongly committed to its policies on equal employment opportunity and its own Affirmative Action Program. PVTA's EEO policy is available at www.pvta.com.

Pioneer Valley Transit Authority
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